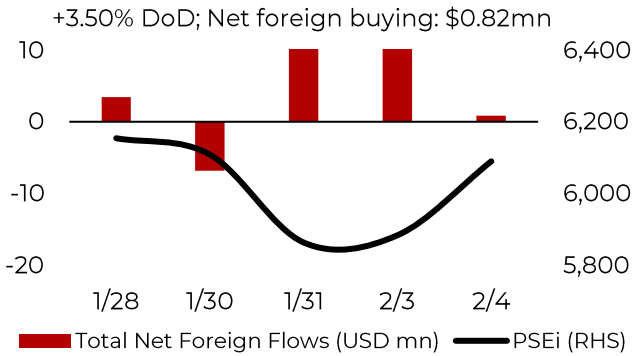


The Morning View

February 5, 2025

Philippine Stock Exchange Index



	Level	DoD
PSEi	6,089.06	+3.50%
3-mo bond yield	5.23%	+4.33 bps
2-yr bond yield	5.76%	-1.78 bps
5-yr bond yield	5.96%	-2.91 bps
10-yr bond yield	6.22%	-1.48 bps
USDPHP	58.34	-0.55%
Oil (Brent, \$ / barrel)	76.20	+0.32%

The National Government's outstanding debt rose to Php16.05 trillion (+9.82% YoY) as of end-2024 amid higher debt issuances and a strong dollar. Foreign borrowings increased to Php5.12 trillion (+11.36% YoY), while domestic borrowings rose to Php10.93 trillion (+9.11% YoY).

ACEN Corp. (PSE Ticker: ACEN) invested an additional Php392 million in its subsidiary, Belenos Energy Corp. Belenos manages ACEN's investments in YMP Telecom Power, Inc. and YMP Industrial Power, Inc., which focus on providing solar power to telco towers as well as the commercial and industrial sectors.

Local equities rebounded after US President Trump paused the implementation of tariffs on Canada and Mexico. Investors also positioned ahead of the local inflation data release later today. The PSEi closed at 6,089.06 (+3.50% DoD).

Local fixed income yields fell ahead of the January local inflation print, which Bloomberg consensus expects to ease to 2.8% from December's 2.9%. On average, yields dipped by 1.10 bps, with the 2Y closing at 5.76% (-1.78 bps) and the 10Y closing at 6.22% (-1.48 bps).

The **Philippine peso** strengthened after Trump agreed to pause tariffs on Canada and Mexico. The USD/PHP pair closed at 58.34 (-0.55% DoD).

China will impose additional 15% tariffs on US coal and liquified natural gas imports and 10% higher duties on crude oil, agricultural machinery and certain cars, starting Feb. 10.

Additionally, China also announced new export controls on various items and technologies tied to critical minerals, including tungsten, tellurium, ruthenium, and molybdenum.

US job openings fell by 556,000 to 7.6 million in December (Nov. Revised: 8.1 million; consensus: 8.0 million), the lowest since September. Hires rose by 89,000, while layoffs fell by 29,000. The report suggests that the labor market has cooled but job demand remains solid relative to the available supply of workers.

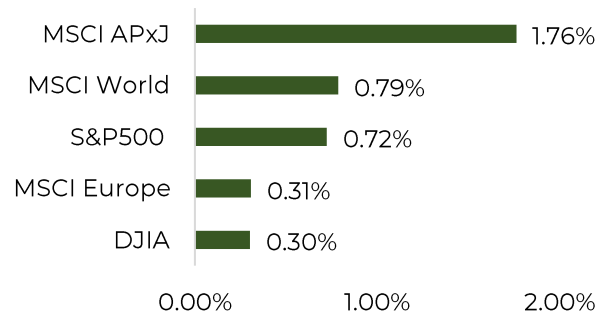
US equities slightly rose, **US Treasury yields** declined, and the **US dollar** weakened as investors weighed mixed developments in the US. These include Trump's pause on tariffs for Canada and Mexico, China's retaliatory tariffs, as well as the lower-than-expected US job openings data.

The S&P 500 closed at 6,037.88 (+0.72% DoD) and the DJIA closed at 44,556.04 (+0.30% DoD).

On average, yields fell by 3.25 bps, with the 2Y closing at 4.22% (-3.50 bps) and the 10Y closing at 4.52% (-4.40 bps).

The DXY closed at 107.96 (-0.95% DoD).

Global Stock Indices



	Level	DoD
S&P 500	6,037.88	+0.72%
DJIA	44,556.04	+0.30%
3-mo US Treasury yield	4.32%	+1.60 bps
2-yr US Treasury yield	4.22%	-3.50 bps
5-yr US Treasury yield	4.32%	-4.20 bps
10-yr US Treasury yield	4.52%	-4.40 bps
DXY	107.96	-0.95%

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