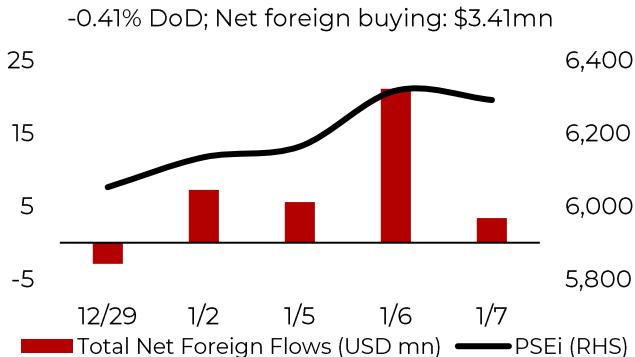




The Morning View

January 8, 2026

Philippine Stock Exchange Index



The Bureau of the Treasury reported that the Philippines' total outstanding debt inched up by 0.49% MoM to a new high of Php17.65 trillion, 1.7% above the projected year-end level. The MoM rise was driven by a net increase in both domestic and external borrowings. On a YoY basis, the outstanding debt jumped by 9.94%.

Manila Electric Company (PSE Ticker: MER) said it has drawn interest from 15 power generation companies to participate in the bidding for a 200-megawatt (MW) renewable energy baseload supply. The prospective bidders represent a combined potential capacity of 725 MW. The auction winner will sign a four-year supply agreement set to begin on Jan. 26, 2026

Local equities fell as investors took profits after a three-day market rally. The PSEi closed at 6,292.09 (-0.41% DoD).

Local fixed income yields fell as markets looked ahead to this week's labor data releases in the US, which could set the tone for the Fed's January monetary policy meeting. On average, yields fell by 3.59 bps, with the 2Y closing at 5.32% (-1.62 bps) and the 10Y closing at 6.00% (-2.33 bps).

The **Philippine peso** weakened to a record low after the Bangko Sentral ng Pilipinas signaled the possibility of further interest rate cuts in February. The USD/PHP pair closed at 59.36 (+0.24% DoD).

US job openings fell by 303,000 to 7.15 million (Consensus: 7.65 million) as of November 2025, marking a 14-month low. The labor market remained in a "no hire, no fire" state as layoffs also dropped by 163,000 to 1.69 million. Meanwhile, resignations rose by 188,000 to 3.16 million bringing the quits rate up to 2.0% (Oct.: 1.9%).

US ISM services Purchasing Managers' Index (PMI) improved to 54.4 in December (Nov.: 52.6, Consensus: 52.2). The reading stayed above 50, which indicates continued expansion. December's higher print was fueled by an increase in new orders, export orders, and a rebound in employment. Companies also noted positive impact related to holiday seasonal activity supporting the growth.

US equities fell, and **US Treasury yields** closed mixed as investors weighed the weaker-than-expected US job openings in November, and the below-consensus December ADP US private payrolls data, which rose by 41,000 (Nov.: -32,000; Consensus: 50,000).

The S&P 500 closed at 6,920.93 (-0.34% DoD), while the DJIA ended at 48,996.08 (-0.94% DoD).

On average, yields fell by 1.07 bps, with the 2Y closing at 3.47% (+0.90 bps) and the 10Y closing at 4.15% (-2.40 bps).

The **US dollar** strengthened as traders digested the stronger-than-expected US ISM services PMI data in December and positioned ahead of the nonfarm payrolls and unemployment data releases later this week. The DXY closed at 98.68 (+0.11% DoD).

Global Stock Indices



	Level	DoD
S&P 500	6,920.93	-0.34%
DJIA	48,996.08	-0.94%
3-mo US Treasury yield	3.60%	+0.70 bps
2-yr US Treasury yield	3.47%	+0.90 bps
5-yr US Treasury yield	3.71%	-0.90 bps
10-yr US Treasury yield	4.15%	-2.40 bps
DXY	98.68	+0.11%

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