

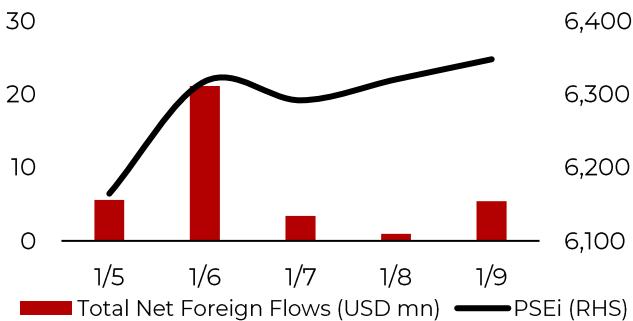


The Morning View

January 13, 2026

Philippine Stock Exchange Index

+1.13% DoD; Net foreign buying: \$9.01mn



The Regional Tripartite Wages and Productivity Board-National Capital Region held a public hearing on adjusting the minimum wage for domestic workers. The board is weighing several factors including cost of living, inflation, prevailing wages, and employers' capacity to pay. The deliberations may result in a decision after January 15.

Manila Electric Company (PSE Ticker: MER) announced a reduction in the overall electricity rate in January. The overall electricity rate declined by Php0.1637 per kilowatt-hour (kWh) to Php12.9508 per kWh in January (-1.2% MoM, +8.2% YoY) amid lower transmission charges.

Local equities ended higher as investors continued to anticipate further policy easing from the Bangko Sentral ng Pilipinas (BSP). The PSEi closed at 6,419.96 (+1.13% DoD).

Local fixed income yields inched higher, and the **Philippine peso** slightly weakened following a mixed US December jobs report, with the unemployment rate easing to 4.4% and nonfarm payrolls rising less than expected by 50,000.

On average, yields rose by 0.10 bps, with the 2Y closing at 5.30% (+0.23 bps) and the 10Y closing at 6.03% (+0.55 bps).

The USD/PHP pair closed at 59.26 (+0.03% DoD).

New York Fed President Williams said interest rates are "well positioned" to stabilize the labor market and inflation. Williams expects the unemployment rate to stabilize in 2026 and gradually come down over the next few years. Meanwhile, he sees Trump's tariffs to have a one-time impact, with inflation peaking to 2.75%-3% in 1H26 before dropping below 2.5% for FY26.

US President Trump announced a 25% tariff on any country that is "doing business" with Iran, effective immediately. The White House declined to share additional information regarding the new tariffs. Trade experts said that more than 100 countries could be affected, including China, Turkey, Pakistan, and India.

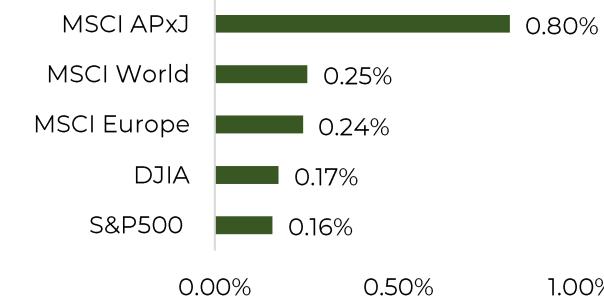
US equities inched up to new record highs, driven by tech stocks and Walmart after it announced its partnership with Google's Gemini for AI-assisted shopping. The S&P 500 closed at 6,977.27 (+0.16% DoD), while the DJIA ended at 49,590.20 (+0.17% DoD).

US Treasury yields edged higher, and the **US dollar** weakened amid concerns about the Fed's independence following the Justice Department's launch of a criminal investigation into Fed Chair Powell over renovation costs for the Fed's headquarters.

On average, yields rose by 1.05 bps, with the 2Y closing at 3.54% (+0.20 bps) and the 10Y closing at 4.18% (+1.20 bps).

The DXY closed at 98.86 (-0.27% DoD).

Global Stock Indices



	Level	DoD
S&P 500	6,977.27	+0.16%
DJIA	49,590.20	+0.17%
3-mo US Treasury yield	3.62%	+1.70 bps
2-yr US Treasury yield	3.54%	+0.20 bps
5-yr US Treasury yield	3.76%	+0.50 bps
10-yr US Treasury yield	4.18%	+1.20 bps
DXY	98.86	-0.27%