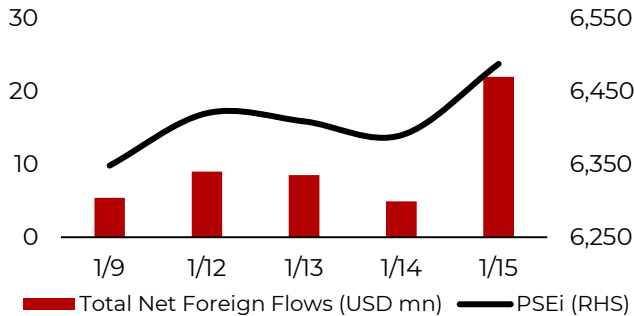


## Philippine Stock Exchange Index

+1.53% DoD; Net foreign buying: \$21.98mn



	Level	DoD
PSEi	6,487.53	+1.53%
3-mo bond yield	4.80%	-0.49 bps
2-yr bond yield	5.30%	+0.93 bps
5-yr bond yield	5.73%	0.00 bps
10-yr bond yield	6.04%	-0.37 bps
USDPHP	59.46	+0.03%
Oil (Brent, \$ / barrel)	63.76	-4.15%

**Several Federal Reserve officials signaled a willingness to pause policy easing in the next Fed meeting as the labor market appears to be stabilizing while inflation pressures are ongoing.**

Chicago Fed President Goolsbee stated that the main focus should be getting inflation back to the Fed's 2% target. Likewise, Minneapolis Fed President Kashkari said that the job market has not shown significant stress while inflation remains above target.

**US and Taiwan agreed on a trade deal that cuts tariffs on Taiwanese exports to the US to 15% from 20%.** In exchange, Taiwanese companies, such as Taiwan Semiconductor Manufacturing Co. (TSMC), will invest \$250 billion to boost production of semiconductors, energy, and AI in the US.

**US equities** rose, led by bank and chip stocks following stronger-than-expected 4Q25 earnings results from Goldman Sachs, Morgan Stanley, and TSMC. The S&P 500 closed at 6,944.47 (+0.26% DoD), while the DJIA ended at 49,442.44 (+0.60% DoD).

**US Treasury yields** climbed, and the **US dollar** strengthened after the latest initial jobless claims for the week ended January 10 came in lower than anticipated at 198,000 (Consensus: 215,000), signaling a resilient labor market.

On average, yields rose by 3.01 bps, with the 2Y closing at 3.57% (+5.40 bps) and the 10Y closing at 4.17% (+3.90 bps).

The DXY closed at 99.32 (+0.27% DoD).

**The Bangko Sentral ng Pilipinas (BSP) reported that cash remittances from overseas Filipino workers (OFW) rose by 3.6% YoY to \$2.91 billion in November, a 6-month low.** This brought the 11M25 OFW cash remittances to \$32.11 billion (+3.2% YoY). The US remained as the top source, accounting for 40.0% of 11M25 remittances, followed by Singapore (7.1%) and Saudi Arabia (6.4%).

**The Department of Energy is weighing whether to extend the coal operating contract of Semirara Mining and Power Corporation (PSE Ticker: SCC) or bid out the contract to other companies.** Energy Secretary Garin stated that a decision on SCC's 13-year extension request is expected within the first quarter.

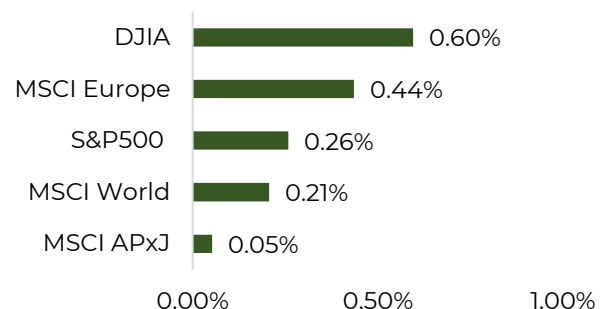
**Local equities** rebounded amid investors' bargain hunting. Market sentiment was also lifted by World Bank's latest report, which showed that the Philippine economy is projected to grow by 5.3% in 2026. The PSEi closed at 6,487.53 (+1.53% DoD).

**Local fixed income yields** ended mixed, and the **Philippine peso** weakened to a fresh record low after the US December producer price inflation and retail sales data reinforced expectations that the Fed will keep the policy rate unchanged in the short term.

On average, yields rose by 0.64 bps, with the 2Y closing at 5.30% (+0.93 bps) and the 10Y closing at 6.04% (-0.37 bps).

The USD/PHP pair closed at 59.46 (+0.03% DoD).

## Global Stock Indices



	Level	DoD
S&P 500	6,944.47	+0.26%
DJIA	49,442.44	+0.60%
3-mo US Treasury yield	3.66%	+0.50 bps
2-yr US Treasury yield	3.57%	+5.40 bps
5-yr US Treasury yield	3.77%	+5.60 bps
10-yr US Treasury yield	4.17%	+3.90 bps
DXY	99.32	+0.27%