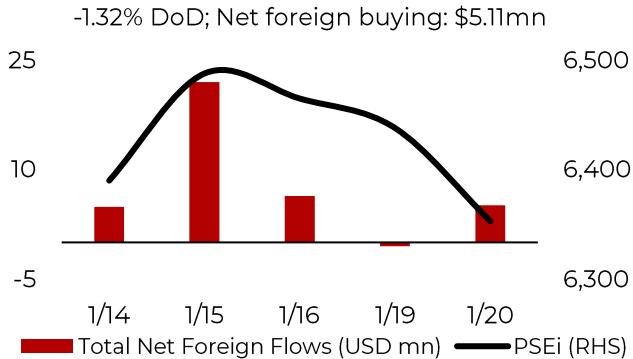




The Morning View

January 21, 2026

Philippine Stock Exchange Index



The Bangko Sentral ng Pilipinas reported that the Philippines' balance of payments posted a \$5.66-billion deficit in 2025. This was a reversal from the \$609-million surplus in 2024, reflecting weaker inflows in capital and foreign direct investments, sustained net outflows from portfolio investments, and a wide trade deficit.

ACEN Corporation (PSE Ticker: ACEN) earmarked majority of its **Php80 billion capital expenditure for FY26 to develop major renewable energy projects in the Philippines.** The firm expects to finish FY26 with over 5 gigawatts (GW) of operational renewable energy capacity, with about 1 GW coming online this year.

Local equities fell after the weaker Philippine peso and the International Monetary Fund's economic growth downgrades for the Philippines damped market sentiment. The PSEi closed at 6,352.86 (-1.32% DoD).

Local fixed-income yields rose following weak demand for the Bureau of the Treasury's reissued 20-year bonds. Investors also weighed the government's plan to raise \$1.5 billion via a triple-tranche dollar note issuance this year. On average, yields rose by 0.69 bps, with the 2Y closing at 5.32% (+1.85 bps) and the 10Y closing at 6.06% (+1.25 bps).

The **Philippine peso** weakened amid renewed US-EU geopolitical tensions surrounding the potential acquisition of Greenland. The USD/PHP pair closed at 59.46 (+0.03% DoD).

US President Trump threatened to impose a 200% tariff on French wines and champagne to pressure French President Macron into joining his proposed "Board of Peace." The initiative, originally pitched as part of Trump's plan to end the Gaza war, has since expanded into a broader global conflict-resolution body. The US administration has sent invitations to about 60 countries, calling for members to contribute \$1 billion in cash for their membership to last more than three years.

US ADP weekly private payroll additions fell to 8,000 for the four weeks ending December 27, 2025 (Dec. 20: revised 11,250). Although the private sector reported job gains for the sixth straight week, this suggests a modest slowdown in hiring towards the end of last year.

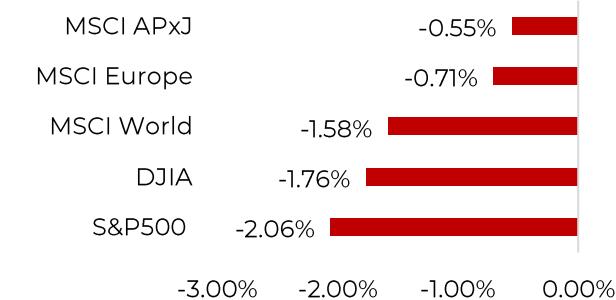
US equities declined, **US Treasury yields** climbed, and the **US dollar** weakened as investors weighed fresh tariff threats from the US, reigniting fears of a trade war with Europe.

The S&P 500 closed at 6,796.86 (-2.06% DoD), while the DJIA ended at 48,488.59 (-1.76% DoD).

On average, yields rose by 4.08 bps, with the 2Y closing at 3.60% (+0.90 bps) and the 10Y closing at 4.30% (+7.00 bps).

The DXY closed at 98.64 (-0.76% DoD).

Global Stock Indices



	Level	DoD
S&P 500	6,796.86	-2.06%
DJIA	48,488.59	-1.76%
3-mo US Treasury yield	3.66%	+1.80 bps
2-yr US Treasury yield	3.60%	+0.90 bps
5-yr US Treasury yield	3.86%	+4.40 bps
10-yr US Treasury yield	4.30%	+7.00 bps
DXY	98.64	-0.76%