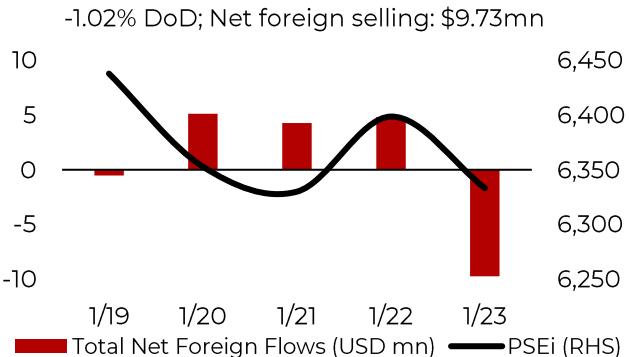




# The Morning View

January 26, 2026

## Philippine Stock Exchange Index



**Bangko Sentral ng Pilipinas (BSP) Governor Remolona said that another rate cut is uncertain this year.** He noted that subdued inflation and tepid growth will be considered in deciding on the next policy move. He also commented that they are not expecting the Philippine peso to hit the Php60:\$1 level soon, noting that intervention would depend on the extent of the volatility in the foreign exchange market.

**International Container Terminal Services, Inc. (PSE Ticker: ICT)** is seeking a \$300 million loan from the Asian Infrastructure Investment Bank (AIIB) to fund the upgrade and expansion of its Philippine terminals. AIIB estimated financing approval by March 23, 2026.

Local equities fell, local fixed income yields closed mixed, and the **Philippine peso** slightly strengthened as investors weighed BSP Governor Remolona's remarks, signaling uncertainty over another rate cut this year. Expectations of slower PH economic growth in 4Q25 also weighed on market sentiment, with the median Bloomberg consensus estimate at 3.7% YoY (3Q25: 4.0%).

The PSEi closed at 6,333.26 (-1.02% DoD).

On average, yields fell by 0.51 bps, with the 2Y closing at 5.3% (+0.28 bps) and the 10Y closing at 6.06% (-0.66 bps).

The USD/PHP pair closed at 59.09 (-0.12% DoD).

## Trump threatened to impose 100% tariff on all imported Canadian goods if the country secures a trade deal with China.

This was after Canadian Prime Minister Mark Carney announced that the nation would be dropping levies on Chinese electric vehicles from 100% to 6.1% for the first 49,000 vehicles imported each year, with succeeding imports reverting to the original rate. In turn, China will cut tariffs on Canadian canola seed to 15% from 84%.

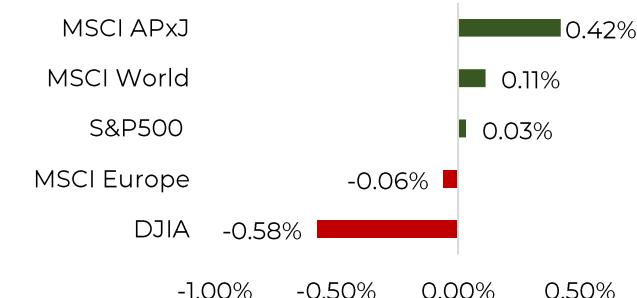
**University of Michigan's Consumer Sentiment Index rose to 56.4 in January (Dec.: 52.9; Preliminary: 54.0) amid a broad-based improvement.** Year-ahead inflation expectations declined to 4.0% (Dec.: 4.2%), the lowest level since January 2025, while longer-run inflation expectations edged up to 3.3% (Dec.: 3.2%)

**US equities** were mixed amid several news on tech names, such as Intel's downbeat outlook for the first quarter and reports of Nvidia CEO Huang's plan to visit China. The S&P 500 closed at 6,915.61 (+0.03% DoD), while the DJIA ended at 49,098.71 (-0.58% DoD).

**US Treasury yields** declined as market jitters eased after US President Trump called off tariff threats against select European countries. On average, yields fell by 1.28 bps, with the 2Y closing at 3.60% (-1.20 bps) and the 10Y closing at 4.23% (-2.00 bps).

The **US dollar** weakened as the Japanese yen strengthened amid speculation of government intervention on the currency. The DXY closed at 97.60 (-0.77% DoD).

## Global Stock Indices



|                         | Level     | DoD       |
|-------------------------|-----------|-----------|
| S&P 500                 | 6,915.61  | +0.03%    |
| DJIA                    | 49,098.71 | -0.58%    |
| 3-mo US Treasury yield  | 3.67%     | -0.10 bps |
| 2-yr US Treasury yield  | 3.60%     | -1.20 bps |
| 5-yr US Treasury yield  | 3.83%     | -2.10 bps |
| 10-yr US Treasury yield | 4.23%     | -2.00 bps |
| DXY                     | 97.60     | -0.77%    |

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