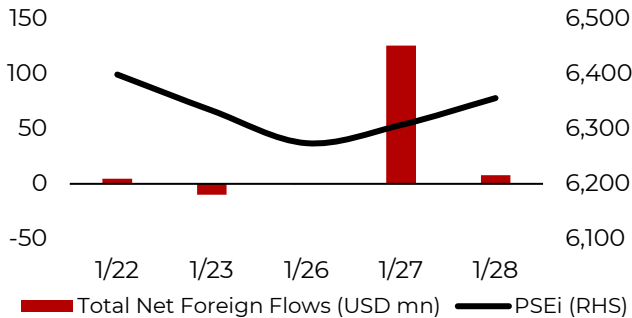


The Morning View

January 29, 2026

Philippine Stock Exchange Index

+0.78% DoD; Net foreign buying: \$7.88mn



	Level	DoD
PSEi	6,355.78	+0.78%
3-mo bond yield	4.74%	-0.29 bps
2-yr bond yield	5.24%	-0.69 bps
5-yr bond yield	5.69%	-1.79 bps
10-yr bond yield	6.03%	-1.62 bps
USDPHP	58.74	-0.58%
Oil (Brent, \$ / barrel)	68.40	+1.23%

The Philippine Statistics Authority (PSA) downwardly revised the 3Q25 gross domestic product (GDP) growth to 3.9% from the initial 4% print. This brought the 9M25 average to 4.9%, below the government's 5.5%-6.5% growth target. The downward revision was attributed to a downgrade for electricity, steam, water and waste management, real estate and ownership of dwellings, as well as accommodation and food service activities.

Manila Water Company, Inc. (PSE Ticker: MWC) secured a 15-year term-loan facility of up to Php27 billion from BDO Unibank, Inc. (PSE Ticker: BDO). The loan will be used to finance MWC's acquisition of 92.97% interest in WawaJVC Co, Inc. This allows the company to refinance part of the purchase price and manage cash outflows over 15 years.

Local equities rose on continued bargain hunting ahead of the release of the 4Q25 GDP data. Sentiment was also lifted by the stronger peso. The PSEi closed at 6,355.78 (+0.78% DoD).

Local fixed income yields declined following a slight downward revision to the 3Q25 PH GDP growth to 3.9%. On average, yields fell by 1.15 bps, with the 2Y closing at 5.24% (-0.69 bps) and the 10Y closing at 6.03% (-1.62 bps).

The **Philippine peso** strengthened as the country's trade deficit narrowed in FY2025, driven by subdued imports and higher exports. The USD/PHP pair closed at 58.74 (-0.58% DoD).

The US Federal Reserve kept its policy rate unchanged at the 3.50%-3.75% range. US Fed Chair Jerome Powell stated that the economy remains solid with lower risks to inflation and employment. Fed Governor Waller and Stephen Miran both dissented in favor of a 25-bp rate cut.

The Bank of Canada held its policy rate steady at 2.25%, with Governor Macklem citing trade uncertainty and concerns over the US Fed's independence as reasons for unpredictability around future rate decisions. In its January Monetary Policy Report, Canadian GDP is expected to rise by 1.1% in 2026 and 1.5% in 2027. Meanwhile, inflation is expected to remain close to the 2% target.

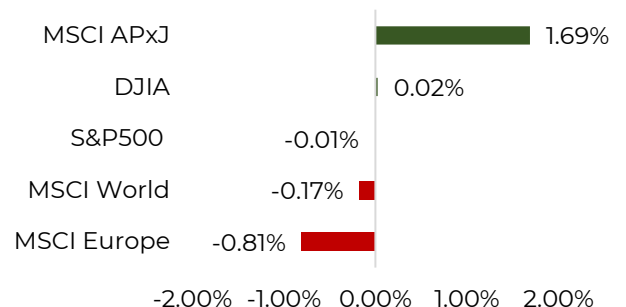
US equities closed flat, **US Treasury yields** ended mixed but rose on average, and the **US dollar** strengthened as investors weighed the Fed's decision to keep rates steady and Fed Chair Powell's remarks noting risks to labor and inflation have diminished.

The S&P 500 closed at 6,978.03 (-0.01% DoD), while the DJIA ended at 49,015.60 (+0.02% DoD).

On average, yields rose by 0.29 bps, with the 2Y closing at 3.58% (0.00 bps) and the 10Y closing at 4.25% (-0.20 bps).

The DXY closed at 96.45 (+0.24% DoD).

Global Stock Indices



	Level	DoD
S&P 500	6,978.03	-0.01%
DJIA	49,015.60	+0.02%
3-mo US Treasury yield	3.68%	+2.30 bps
2-yr US Treasury yield	3.58%	0.00 bps
5-yr US Treasury yield	3.83%	0.00 bps
10-yr US Treasury yield	4.25%	-0.20 bps
DXY	96.45	+0.24%