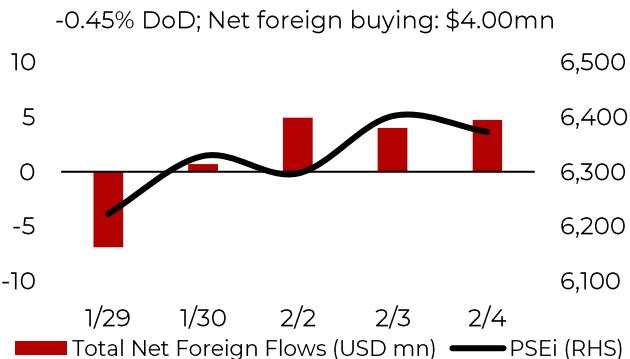




The Morning View

February 5, 2026

Philippine Stock Exchange Index



S&P Global Ratings said the Philippines remains on track for a possible credit rating upgrade. S&P Global Ratings affirmed the Philippines' long-term "BBB+" rating and maintained a "positive" outlook. It cited that the improving fiscal and external balances outweigh risks from the government's flood control controversy.

Ayala Land Inc. (PSE Ticker: ALI) has expressed interest in the government's privatization of Food Terminal Inc. (FTI) property in Taguig and Atrium condominium in Makati. While ALI's interest is currently exploratory, the acquisitions would complement its existing Arca South development and strengthen its presence in key business districts.

Local equities fell, and **local fixed income yields** closed mixed on cautious trading ahead of the local January inflation data release which came in higher-than-expected at 2.0%. Investors also weighed the National Government's outstanding debt which reached a record high of Php17.71 trillion in end-2025.

The PSEi closed at 6,372.95 (-0.45% DoD).

On average, yields fell by 0.34 bps, with the 2Y closing at 5.17% (-0.04 bps) and the 10Y closing at 5.96% (+1.30 bps).

The **Philippine peso** weakened after global oil prices rose amid heightened geopolitical tensions between the US and Iran. The USD/PHP pair closed at 58.97 (+0.14% DoD).

US Institute for Supply Management (ISM) services Purchasing Managers' Index (PMI) unexpectedly remained steady at 53.8 in January (Consensus: 53.5). While the continued expansion, indicated by the above-50 reading, was driven by a surge in business activity and faster supplier deliveries, the index was weighed down by a slowdown in new orders and employment.

ADP reported that US private companies added only 22,000 jobs in January (Revised December: 37,000; Consensus: 45,000). Health care was the standout, adding 74,000 jobs. Conversely, professional and business services slashed 57,000 jobs while manufacturing was down 8,000 jobs.

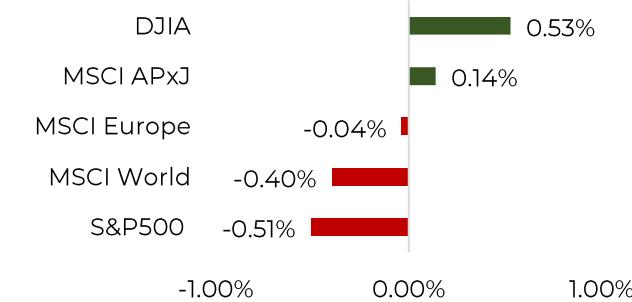
US equities and **US Treasury yields** closed mixed, while the **US dollar** strengthened as investors digested conflicting economic data releases for January, including the softer-than-expected private payrolls but faster-than-anticipated ISM services PMI. Moreover, the continued sell-off of chip and software stocks weighed on the US equity markets.

The S&P 500 closed at 6,882.72 (-0.51% DoD), while the DJIA ended at 49,501.30 (+0.53% DoD).

On average, yields rose by 0.38 bps, with the 2Y closing at 3.56% (-1.50 bps) and the 10Y closing at 4.28% (+1.10 bps).

The DXY closed at 97.62 (+0.18% DoD).

Global Stock Indices



	Level	DoD
S&P 500	6,882.72	-0.51%
DJIA	49,501.30	+0.53%
3-mo US Treasury yield	3.69%	+0.50 bps
2-yr US Treasury yield	3.56%	-1.50 bps
5-yr US Treasury yield	3.83%	-0.40 bps
10-yr US Treasury yield	4.28%	+1.10 bps
DXY	97.62	+0.18%