Philippine Stock Exchange Index

-0.89% DoD; Net foreign selling: $61.28mn

Total Net Foreign Flows (USD mn) — PSEi (RHS)
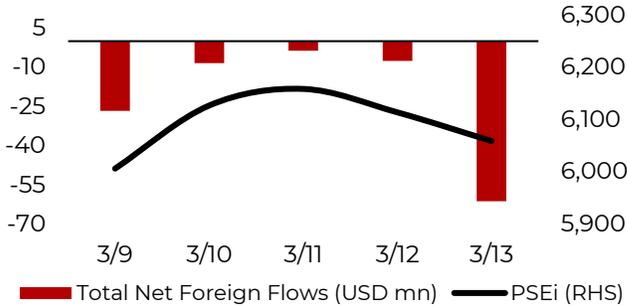
	Level	DoD
PSEi	6,058.94	-0.89%
3-mo bond yield	4.86%	+3.80 bps
2-yr bond yield	5.69%	+1.50 bps
5-yr bond yield	6.30%	+1.34 bps
10-yr bond yield	6.62%	+1.03 bps
USDPHP	59.74	+0.59%
Oil (Brent, $ / barrel)	103.14	+2.67%

The Bangko Sentral ng Pilipinas (BSP) reported that the Philippines' current account deficit narrowed to $16.291-billion in 2025. This was equivalent to 3.3% of gross domestic product (GDP) (2024: 4.0% of GDP). The narrower deficit was driven by stronger export growth which outpaced import growth, and higher income receipts from overseas Filipino workers.

Ayala Corporation (PSE Ticker: AC) reported a consolidated core net income (NI) of Php48.3 billion (+7% YoY). Performance was driven by higher earnings from BPI and Ayala Land (ALI), tempered by earnings declines by Globe and ACEN. Meanwhile, headline NI jumped to Php61.4 billion (+64% YoY), mainly driven by Mynt revaluation gains and ALI's sale of shares in Alabang Commercial Center.

Local equities declined, **local fixed income yields** climbed, and the **Philippine peso** weakened as lingering Middle East tensions continued to raise concerns over inflation and potential policy tightening. This was after the new Iran Supreme Leader Mojtaba Khamenei vowed to keep the Strait of Hormuz closed.

The PSEi closed at 6,058.94 (-0.89% DoD).

On average, yields rose by 1.44 bps, with the 2Y closing at 5.69% (+1.50 bps) and the 10Y closing at 6.62% (+1.03 bps).

The USD/PHP pair closed at 59.74 (+0.59% DoD).

US 4Q25 GDP growth was revised down to 0.7% from the initial estimate of 1.4%, bringing the full year GDP growth to 2.1% (Previous: 2.2%). The revision reflected downward revisions to exports, consumer spending, government spending, and investments. Meanwhile, imports decreased less than previously estimated.

US core personal consumption expenditures (PCE) inflation rose to 3.1% YoY in January (Dec.: 3.0% YoY), in line with market expectations. This was driven by faster services inflation, particularly in healthcare and transportation services. These gains were tempered by softer goods inflation, as price increases for non-durable goods eased.

US equities fell, **US Treasury yields** were little changed, and the **US dollar** strengthened as the continued volatility in oil prices due to escalating tensions in the Middle East dampened market sentiment. Investors also weighed the sharp downward revision to the US 4Q25 GDP and stickiness in core PCE inflation for January.

The S&P 500 closed at 6,632.19 (-0.61% DoD), while the DJIA ended at 46,558.47 (-0.26% DoD).

On average, yields rose by 0.03 bps, with the 2Y closing at 3.72% (-2.80 bps) and the 10Y closing at 4.28% (+1.40 bps).

The DXY closed at 100.36 (+0.62% DoD).

Global Stock Indices

DJIA	-0.26%
MSCI Europe	-0.46%
S&P500	-0.61%
MSCI World	-0.76%
MSCI APxJ	-1.43%

	Level	DoD
S&P 500	6,632.19	-0.61%
DJIA	46,558.47	-0.26%
3-mo US Treasury yield	3.70%	-0.40 bps
2-yr US Treasury yield	3.72%	-2.80 bps
5-yr US Treasury yield	3.86%	-0.80 bps
10-yr US Treasury yield	4.28%	+1.40 bps
DXY	100.36	+0.62%