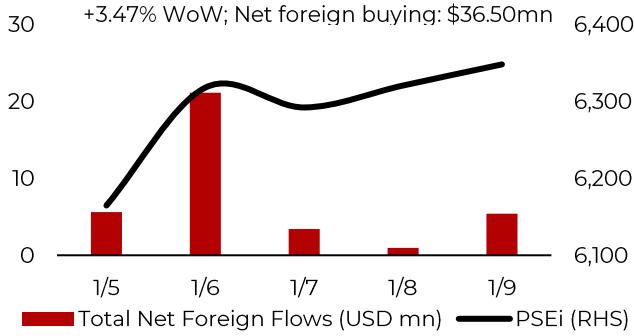


# The Weekly Review

January 12, 2026

## Philippine Stock Exchange Index



**Local equities** rose amid continued bargain hunting and increased net foreign inflows. This was also after headline inflation remained below the Bangko Sentral ng Pilipinas' (BSP) 2-4% target in December at 1.8%, and BSP Governor Remolona's remark that a February rate cut is on the table.

Top performers were International Container Terminal Services, Inc. (PSE Ticker: ICT; +12.51%), Jollibee Foods Corp. (JFC; +12.32%), and Aboitiz Equity Ventures, Inc. (AEV; +11.35%). Meanwhile, JG Summit Holdings, Inc. (PSE Ticker: JGS; -1.62%), Converge Information and Communication Technology Solutions, Inc. (CNVRG; -1.94%), and Alliance Global Group, Inc. (AGI; -3.88%) were the laggards.

▲ The PSEi closed at 6,348.14 (+3.47% WoW).

**Local fixed income yields declined** as investors weighed (1) BSP Governor Remolona's remarks that a February rate cut is on the table, and (2) the government's downwardly revised growth forecasts of 5%-6% for 2026 and 5.5%-6.5% for 2027.

▼ On average, yields fell by 5 bps, with the 2Y closing at 5.29% (-6 bps) and the 10Y closing at 6.03% (-2 bps).

**The Philippine peso** weakened as the BSP signaled the possibility of a policy rate cut in February.

▲ The USD/PHP pair closed at 59.25 (+0.69% WoW).

**US equities** climbed, driven by a rally in energy, defense and tech stocks. Gains were fueled by optimism over Nvidia's next-gen AI chip production, hopes for US oil benefits from Venezuela's rebuilding of oil infrastructure, and Trump's call for a \$1.5 trillion defense budget in 2027.

▲ S&P 500 closed at 6,966.28 (+1.57% WoW).

▲ DJIA closed at 49,504.07 (+2.32% WoW).

**US Treasury yields ended mixed** following the release of several US jobs data. These include: (1) the below-consensus job openings of 7.15 million as of November (Consensus: 7.65 million), (2) the lower-than-expected December nonfarm payroll additions of 50,000 (Consensus: 70,000), and (3) the better-than-expected December unemployment rate of 4.4% (Consensus: 4.5%).

▼ On average, yields fell by 1 bp, with the 2Y closing at 3.53% (+6 bps) and the 10Y closing at 4.17% (-3 bps).

The **US dollar** strengthened following the stronger US nonfarm productivity gains in 3Q25 and the narrower US trade deficit in October. The greenback was also supported by a weaker Euro after the softer December inflation in Germany and France supported views that the European Central Bank could hold rates steady.

▲ The DXY closed at 99.13 (+0.72% WoW).

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## Global Stock Indices

