



BAIPHIL

MARKET WATCH

*BAIPHIL @ 85: CONTINUING PARTNERSHIP TO R.I.S.E. IN BANKING
RESILIENCE. INCLUSIVITY. SUSTAINABILITY. ENGAGEMENT*

28 Jan
2026

Legend
Improvement / Up
Deterioration / Down
No Movement

FINANCIAL MARKETS AT A GLANCE



Currency Exchange ¹	Current	Previous
USD/PHP	59.0850	58.9710
USD/JPY	154.7400	154.2000
USD/CNY	6.9571	6.9544
EUR/USD	1.1870	1.1883
GBP/USD	1.3681	1.3681

PHP BVAL Reference Rates ²	Current	Previous
30-Day	4.6400	4.6302
91-Day	4.7470	4.7392
180-Day	4.8240	4.8266
1-Year	4.8602	4.8773
3-Year	5.4355	5.4517
5-Year	5.7119	5.7357
10-Year	6.0420	6.0395

Domestic Stock Index ³	Current	Previous
PSEi	6,306.90	6,273.87
Trade Value (Php B)	15.847	5.776

Stock Index ⁴	Current	Previous
NIKKEI 225	53,333.54	52,885.25
FTSE 100	10,207.80	10,148.85
DOW JONES	49,003.41	49,412.40
S&P 500	6,978.60	6,950.23
NASDAQ	23,817.10	23,601.36

Various ^{5/6}	Current	Previous
Brent Crude (USD/bbl)	65.21	65.96
3-M US Treasury Yield	3.67%	3.67%
5-Y US Treasury Yield	3.81%	3.82%
10-Y US Treasury Yield	4.24%	4.22%



PHILIPPINES



- ✓ **PSEi rebounds as bargain hunters return.** Philippine stocks rebounded on Tuesday as investors went bargain hunting after two straight sessions of decline. This lifted the benchmark index back above the 6,300 level. The Philippine Stock Exchange Index (PSEi) rose 0.53 percent or by 33.03 points to 6,306.90, supported by renewed buying interest and positive spillovers from Wall Street's overnight performance, according to market data from Philstocks Financial Inc. Trading activity remained strong, with total value turnover reaching P8.14 billion. Philstocks financial research manager Japhet Tantiangco said foreign investors were net buyers during the session, posting net inflows of P7.41 billion. This signaled renewed risk appetite despite lingering market caution. Despite Tuesday's rebound, analysts continue to monitor global market cues and fund flows, as volatility remains a key risk in the near term. Still, the latest session showed investors were willing to step back in at lower price levels, offering short-term support to the local bourse.

<https://business.inquirer.net/570974/psei-rebounds-as-bargain-hunters-return>

- ✓ **Mixed Results at Treasury Bond Auctions.** The Auction Committee fully awarded the re-issued Treasury Bond (T-bond) series FXTN 07-65 and partially awarded FXTN 20-27 as part of the dual tranche T-bond auction today. With remaining term of 2 years and 6 months, FXTN 07-65 fetched an average rate of 5.324%, lower than the previous auction level and prevailing secondary market rate. The auction was 3.4 times oversubscribed with total tenders amounting to P102.7 billion, of which the full program of P30.0 billion was accepted. Meanwhile for FXTN 20-27, with a remaining maturity of 18 years and 3 months, the Auction Committee was able to partially award P11.6 billion out of the P20 billion offering at an average rate of 6.572%. The auction received total tenders reaching P25.0 billion or 1.2 times the original offer. With its decision, the Committee raised a total of P41.6 billion bringing the outstanding volume for FXTN 07-65 and 20-27 to P325.6 billion and P256.2 billion, respectively.

<https://www.treasury.gov.ph/?p=73785>

- ✓ **Peso falls on Trump's Korea tariff threat.** The peso dropped to the P59-per-dollar level again on Tuesday as US President Donald J. Trump threatened to impose higher tariffs on South Korea. The local unit ended at P59.085 versus the dollar, weakening by 11.4 centavos from its P58.971 finish on Monday, data from the Bankers Association of the Philippines showed. The peso dropped as the market reacted to Mr. Trump's fresh tariff threats, the first trader said by phone. "The peso depreciated anew from stronger than expected US durable goods report, signifying strength in US consumer spending," the second trader said in a Viber message.

<https://www.bworldonline.com/banking-finance/2026/01/28/726786/peso-falls-on-trumps-korea-tariff-threat/>

- ✓ **BSP books lower end-October net income as revenues decline.** The Bangko Sentral ng Pilipinas' (BSP) net income slipped in the 10 months ended October as it posted lower revenues during the period. The central bank's net profit dropped by 4.33% year on year to P108.2 billion

in the 10-month period from P113.1 billion previously, based on its statement of income and expenses posted on its website. This was mainly due to the 12.3% decline in its revenues in the period to P231.7 billion from P264.1 billion a year prior. Meanwhile, separate data showed that the central bank's total assets stood at P7.923 trillion at end-October, down 3.28% year on year from P8.192 trillion. On the other hand, the central bank's total liabilities decreased by 4.29% to P7.586 trillion as of October 2025 from P7.926 trillion in the comparable year-ago period.

<https://www.bworldonline.com/banking-finance/2026/01/28/726787/bsp-books-lower-end-october-net-income-as-revenues-decline/>

✓ **PH trade deficit narrows in Dec. as exports post double-digit growth.** The Philippines closed 2025 with a narrower trade deficit as export growth outpaced imports, preliminary government data released Tuesday revealed. Data from the Philippine Statistics Authority (PSA) showed that the balance of trade in goods (BoT-G) posted a \$3.254-billion deficit in December, 15% smaller than the \$4.145-billion shortfall a year earlier, and the \$3.954-billion deficit a month earlier. Exports for the month stood at \$6.992 billion to reflect a 23.3% increase from the \$5.672 billion the previous year, and higher than the \$6.926 billion the previous month. The biggest growth was seen in electronic products which climbed by \$1.226 billion to \$4.042 billion. The United States of America was the biggest export partner for the month, with \$1.10 billion or 15.7%, followed by Hong Kong with \$1.05 billion, Japan with \$975.84 million, China with \$790.15 million, and Singapore with \$329.46 million. Imports for the month were recorded at \$10.517 billion, 7.1% higher than the \$9.818 billion in December 2024, but lower than the \$10.880 billion the previous month. The highest annual jumps were recorded in electronic products which grew by \$544.80 million to \$2.658 billion. Capital goods made up for the largest share of imports in December with \$3.53 billion or 33.6%, while raw materials and intermediate goods came in at \$3.40 billion or 32.3%, and consumer goods with \$2.08 billion or 19.8%. China remained the biggest supplier of imported goods with \$2.98 billion or 28.4%, followed by South Korea with \$1.03 billion, Indonesia with \$712.78 million, Japan with \$712.14 million, and the USA with \$662.11 million. Total trade for December came in at \$17.510 billion, 13.0% higher than the \$15.491 billion the same month in 2024, but lower than the \$17.807 billion in November.

<https://www.gmanetwork.com/news/money/economy/974269/ph-trade-deficit-narrows-in-dec-as-exports-post-double-digit-growth/story/>

✓ **BIR announces resumption of tax audits.** The Bureau of Internal Revenue (BIR) said Tuesday it would resume tax audits under a tighter framework after it had secured broad support from the private sector in order to achieve its proposed reforms. In a press release, the BIR said the reforms would govern audits once the suspension of Letters of Authority (LOAs) is lifted in the coming weeks. It said the center of the proposed reforms is a single-instance audit rule. Under the draft order, a taxpayer will generally face one electronic Letter of Authority (eLA) per taxable year, which covers all internal revenue taxes, subject to limited and clearly defined exceptions. Meanwhile, multiple eLAs issued for the same taxpayer and year will be automatically consolidated into a single audit authority, with an option for taxpayers to request non-consolidation within set deadlines. BIR Commissioner Charlito Martin Mendoza said the audit reforms formed a key pillar of BIR D.A.R.E.S., the agency's five-point reform agenda. The proposed rules were presented by the Technical Working Group Review Committee on Assessment Integrity and Audit Reform (TWGRC-AIAR), led by Deputy Commissioner Marissa Cabreros. For its part, private sector groups welcomed the proposals and raised no objections to lifting the audit suspension. On the other hand, Department of Finance Undersecretary Rolando Ligon Jr. said the reforms supported the administration's push to boost investor confidence. In November 2025, the BIR ordered the immediate suspension of all field audits and related operations, including the issuance of Letters of Authority (LOA) and Mission Orders (MO) amid complaints by some businessmen and taxpayers.

<https://www.gmanetwork.com/news/money/economy/974262/bir-announces-resumption-of-tax-audits/story/>

✓ **'Big Bold Reforms' to drive investor optimism, growth—PPP Center.** The Public-Private Partnership (PPP) Center of the Philippines has thrown its support behind the government's "Big Bold Reforms," highlighting its role in strengthening investor confidence and promoting the country as a hub for business. In a statement released on Monday, Jan. 26, the PPP Center highlighted the Jan. 16 "Big Bold Reforms: The Philippines 2026" forum at Shangri-La The Fort, Taguig, where more than 300 business and financial leaders gathered to hear the government's reform agenda aimed at boosting investment and strengthening public-private partnerships. The report noted that Finance Secretary Frederick D. Go emphasized the government's dedication to reforms grounded in strong economic fundamentals to attract investment. The report added that key Cabinet officials presented reforms and programs across sectors, including transportation, infrastructure, trade, energy, digital technology, agriculture, and tourism, to accelerate project development and address sector-specific constraints. Regulatory bodies, including the Securities and Exchange Commission, the Food and Drug Administration, and the Philippine Competition Commission, also outlined ongoing efforts to ease the burden of doing business and reduce regulatory bottlenecks, the report noted. PPP Center Executive Director and Undersecretary Rizza Blanco-Latorre stressed the importance of regulatory efficiency in attracting private investment.

<https://mb.com.ph/2026/01/27/bir-resumes-tax-audits-to-raise-100-billion-in-revenue>

✓ **Gov't eyes workaround to restore funding for RACE auto incentives.** A week after securing funding to settle the incentives under the Comprehensive Automotive Resurgence Strategy (CARS) program, the government is keen to find a solution to revive the budget for another automotive incentive program. Trade Secretary Cristina Roque said the government is now discussing potential funding schemes to finally kickstart the Revitalizing the Automotive Industry for Competitiveness Enhancement (RACE) program. Roque said CARS was given priority since the government is working to fulfill its obligations to investors under the program. The entire budget was earmarked for fiscal support arrearages in the form of tax payment certificates (TPCs), which participants can use to settle their tax and duty obligations. She added that RACE, which serves as the successor to CARS, is still on the government's radar due to its importance in strengthening the country's automotive manufacturing base. RACE, which the secretary described as the "better version" of CARS, plans to grant up to ₱3 billion in incentives to support the production of four-wheeled internal combustion engine vehicle models in the country. The program would require participants to manufacture 100,000 units to be eligible, lower than CARS' production requirement of 200,000 units. The Philippine Parts Makers Association (PPMA) said it would require only ₱125 million to initiate and operationalize RACE, half the funding vetoed by Marcos. PPMA President Ferdi Raquelsantos said the amount could already help unlock substantial benefits for the automotive industry, especially for local automotive parts manufacturers who are key contributors to industrial growth.

<https://mb.com.ph/2026/01/27/govt-eyes-workaround-to-restore-funding-for-race-auto-incentives>

✓ **Dole vows job growth as income tops Filipinos' concerns.** The Department of Labor and Employment (Dole) vows to monitor wages and boost job opportunities after a survey shows 45% of Filipinos cite higher income as their top concern. According to Octa Research's December 2025 survey, Tugon ng Masa on Urgent National and Personal Concerns of Adult Filipinos, higher wages and income are the top concern for 45% of respondents. Octa Research noted that citing higher wages as the top national concern has overtaken the rising prices of basic commodities, which ranked second among adult Filipinos' main concerns. Dole has acknowledged the survey results, noting that its direct contribution to addressing the issue is the annual minimum wage adjustments by the Regional Tripartite Wages and Productivity Boards (RTWPB) for lower-

wage earners. It added that the RTWPB has so far issued 14 wage orders, which effectively provided a daily minimum wage increase of P20 to P100, and 11 wage orders granting a P300 to P2,000 monthly increase for domestic workers. The Dole also highlighted programs that enhance employment and career opportunities, including free training, financial assistance to enterprises, and Technical Education and Skills Development Authority certification programs.

<https://newsinfo.inquirer.net/2173659/doles-vows-job-growth-as-income-tops-filipinos-concerns>

- ✓ **Car sales may reach 503,000 in 2026, says CAMPI.** Car sales are expected to breach 500,000 this year, driven by rising demand for electrified vehicles (EVs) and multi-purpose vans, according to the Chamber of Automotive Manufacturers of the Philippines, Inc. (CAMPI). "We see that there's a big chance that the market can reach 500,000 this year. That's around a 2% to 2.5% increase," said Jose Maria M. Atienza on the sidelines of the CAMPI president turnover ceremony on Tuesday. "We're pegging it at around 503,000," he added. "But again, it would depend on how the market grows coming from the trend." Auto industry data showed that 491,395 vehicles were sold in 2025, up 3.7% from 473,842 in 2024. This includes sales of CAMPI and Truck Manufacturers Association, Inc. (TMA) members which reached 463,646 in 2025, down 0.8% from 467,252 units sold in 2024. "For CAMPI and TMA, same as our projection for industry, around 2%," Mr. Atienza said. Mr. Atienza said that the outlook reflects the conservative optimism of the industry after seeing a sales decline in the second half of 2025. In particular, he said that the imposition of excise tax on pickup trucks has resulted in a decline in the segment's sales, especially in the second semester. Mr. Atienza said industry sales growth this year will be driven by demand for EVs as well as multi-purpose vehicles.

<https://www.bworldonline.com/top-stories/2026/01/28/726838/car-sales-may-reach-503000-in-2026-says-campi/>

- ✓ **SEC imposes strict 9-year limit for independent directors.** The Securities and Exchange Commission (SEC) has issued a memorandum circular imposing a firm maximum cumulative nine-year term for independent directors (IDs) of publicly listed companies, effective Feb. 1. Under Memorandum Circular No. 7, Series of 2026, an ID is elected to a one-year term and may serve for a total of up to nine years in the same company. IDs elected before the circular's effectiveness will be subject to the same nine-year limit, reckoned from calendar year 2012, unless otherwise provided. Under the current system, independent directors are formally re-elected at each annual stockholders' meeting, but their cumulative service is subject to a nine-year cap, although some have been allowed to exceed this limit through exemptive relief. The new circular removes this flexibility and adopts a stricter, more definitive enforcement of the term cap. Companies that exceed the maximum cumulative term limit for an ID may face a base penalty of P1 million per violation, plus P30,000 for each month that the director remains in office beyond the allowed term, in addition to other sanctions under existing laws.

<https://www.bworldonline.com/top-stories/2026/01/27/726668/sec-imposes-strict-9-year-limit-for-independent-directors/>

- ✓ **RCBC taps former Ayala CFO as independent director.** Rizal Commercial Banking Corp. appointed long-time Ayala Group executive Alberto M. de Larrazabal as an independent director as it reshuffles its board to bolster its push into digital finance. De Larrazabal, who currently serves as president and chief executive officer of real estate investment trust AREIT Inc. and AC Infrastructure Holdings Corp., joined the board effective Jan. 26, RCBC said in a filing to the Philippine Stock Exchange. His appointment is subject to standard regulatory approvals regarding his interlocking positions across the Ayala conglomerate. In a separate board change, RCBC named Kaoru Furuya as a director, replacing Gayatri P. Bery. The transition follows the International Finance Corp.'s sale of its stake in the bank to Sumitomo Mitsui.

<https://mb.com.ph/2026/01/27/rcbc-taps-former-ayala-cfo-as-independent-director>

- ✓ **Ali now world's largest green building developer.** Property giant Ayala Land Inc. (ALI) has reached a historic milestone, emerging as the holder of the world's largest EDGE Zero Carbon-certified office portfolio. ALI said it has achieved EDGE Zero Carbon certification for more than 1.5 million square meters of commercial office space, making it the largest EDGE Zero Carbon-certified office portfolio globally as of end-December. ALI's certified portfolio spans 50 office properties across Metro Manila, Laguna, Cebu, Baguio, Iloilo and Bacolod, covering a total of 1.53 million square meters. It includes a mix of corporate headquarters and business process outsourcing facilities. ALI said the milestone reinforces the company's leadership in sustainable real estate development and reflects disciplined execution of its long-term climate and capital strategy. EDGE Zero Carbon is a global green building certification developed by the International Finance Corp. (IFC). According to ALI, the EDGE Zero Carbon milestone fulfills one of the company's key sustainability performance targets under its sustainability-linked financing program, which was established in adherence to international guidelines. The company was able to raise approximately \$1 billion through sustainability-linked instruments between 2024 and 2025.

<https://www.philstar.com/business/2026/01/27/2503680/ali-now-worlds-largest-green-building-developer>

- ✓ **ERC allows recovery of P31B from power firms' terminated supply deals.** Customers of Manila Electric Company (Meralco) should brace for higher electricity bills starting March after the Energy Regulatory Commission (ERC) allowed four power generation companies to recover a combined P31.34 billion arising from the termination of their power supply agreements (PSAs) due to a "change in circumstances." In separate orders, the ERC authorized San Miguel's South Premier Power Corp. (SPPC), San Miguel Energy Corp. (SMEC), ACEN Corp., and Panay Energy Development Corp. (PEDC) to recover the approved amounts from Meralco customers. ERC Chairperson Francis Saturino Juan noted that Meralco has been implementing a CIC rate averaging P0.28 per kWh per month since September 2025, a scheme that will continue until February 2026. "That is why we directed the implementation of the remaining CIC adjustments to start only in March 2026, in order to mitigate any impact on Meralco's overall rates," he added. The order follows a Supreme Court ruling affirming a Court of Appeals decision that granted SPPC, SMEC, and Meralco's appeal to increase generation charges in 2022, citing soaring fuel costs triggered by the Russia-Ukraine war and Indonesia's coal export ban.

<https://www.gmanetwork.com/news/money/companies/974327/erc-allows-recovery-of-31b-from-power-firms-terminated-supply-deals/story/>

- ✓ **PLDT invests P1.2 billion to scale MVP group's data ecosystem.** Integrated telecommunications firm PLDT Inc. is investing over P1 billion in its data unit, Kayana Solutions Inc., as it ramps up financing support to further enhance hyper-personalized customer experiences within the company and beyond. In a disclosure, PLDT said it is subscribing to 1.25 billion additional common shares in Kayana, equivalent to P1.25 billion, subject to the execution of definitive agreements. Despite the additional capital, PLDT's equity ownership in the company will remain at 45 percent. PLDT initially invested P840 million in Kayana, totaling 60 percent of equity interest, including subscriptions payable of P288 million. PLDT said the additional investment in the company is part of a collective effort to drive new opportunities for growth and value within the MVP Group of Companies. It aims to deliver a hyper-personalized customer experience that will bring a "radical change" in customer engagement across the MVP Group. Kayana leverages its technology platform to enable companies to scale their operations and achieve

seamless integration of services and capabilities. In addition, it is looking to use a payment and rewards system to further improve the overall customer experience.

<https://mb.com.ph/2026/01/27/pldt-invests-12-billion-to-scale-mvp-groups-data-ecosystem>



REST OF THE WORLD



- ✓ **Stocks up as earnings hopes offset Trump's Korea tariff move, dollar wobbles.** Asian shares advanced on Tuesday as investors hoped for the best from a barrage of U.S. mega-cap earnings, though uncertainty caused by President Donald Trump's latest tariff moves on South Korea limited broader gains while boosting gold and silver. Accusing South Korea's legislature of "not living up" to its trade deal with Washington, Trump said late on Monday he was increasing tariffs on imports from Asia's fourth-biggest economy into the U.S. such as autos, lumber and pharma to 25 per cent. Stocks appeared to take the news in their stride. Even South Korea's KOSPI quickly reversed earlier losses to be last up 0.8 per cent. In Asia, MSCI's broadest index of Asia-Pacific shares outside Japan rose 0.4 per cent. Japan's Nikkei was off 0.1 per cent, tempered by the recent sharp rebound in the yen that has clouded the outlook for its vast export sector. Chinese blue-chips were flat, while Hong Kong's Hang Seng index gained 0.4 per cent.

<https://www.channelnewsasia.com/business/stocks-up-earnings-hopes-offset-trumps-korea-tariff-move-dollar-wobbles-5885581>

- ✓ **European shares settle higher with focus on earnings, monetary policy.** European shares ended higher on Monday, underpinned by gains in financials in the run-up to earnings from big banks later this week. The pan-European Stoxx 600 traded choppy for most of the session and closed up 0.2 per cent at 609.57 points - its highest in over a week. Traders were still recovering from last week's bout of US-EU trade uncertainty sparked by a dispute over Greenland, while also weighing the long-term implications of US tariffs being used as a bargaining chip in an unrelated matter. On policy, the spotlight will be on the Federal Reserve's interest rate decision later this week. The Fed is expected to leave borrowing costs unchanged, but concerns about its independence are likely to be centre stage.

<https://www.businesstimes.com.sg/companies-markets/capital-markets-currencies/european-shares-settle-higher-focus-earnings-monetary-policy>

- ✓ **S&P 500 Reaches Historic High.** The S&P 500 rose 0.5% to close at a record high and the Nasdaq gained 1% on Tuesday, led by strength in mega cap technology, extending momentum tied to AI driven demand and resilient capital spending expectations. Gains were uneven, however, as the Dow fell 0.8%, weighed down by a 19.6% plunge in UnitedHealth following a profit warning and a 14.1% drop in CVS after proposed Medicare Advantage reimbursement changes, while Boeing slipped 1.6% after underwhelming results. With roughly three quarters of reporting S&P 500 companies still beating expectations, focus now turns to Wednesday's Federal Reserve decision and guidance.

<https://tradingeconomics.com/united-states/stock-market/news/520519>

- ✓ **Oil slips even as US winter storm curbs crude output.** Oil prices fell on Tuesday even as a massive winter storm hit crude production and affected refineries on the U.S. Gulf Coast. Brent crude futures fell 28 cents, or 0.4 per cent, to \$65.31 a barrel at 0145 GMT. U.S. West Texas Intermediate crude was at \$60.39 a barrel, down 24 cents, or 0.4 per cent. Meanwhile, eight members of the Organization of the Petroleum Exporting Countries and allies, together called OPEC+, are expected to keep the group's pause on oil output increases for March at a meeting on February 1, three OPEC+ delegates told Reuters, with prices rising due to a drop in Kazakhstan's oil production.

<https://www.channelnewsasia.com/business/oil-slips-even-us-winter-storm-curbs-crude-output-5885531>

- ✓ **Gold Extends Rally.** Gold prices climbed more than 1% to around \$5,070 per ounce on Tuesday, having hit an all-time peak above \$5,100 in the previous session, driven by strong haven demand amid rising trade and geopolitical tensions. Investor attention now turns to the US Federal Reserve's two-day policy meeting, which begins today. While interest rates are expected to remain unchanged, markets will closely scrutinize Chair Jerome Powell's remarks, particularly amid mounting pressure from the White House to lower rates. Bullion has risen almost 17% so far this year, with the rally further supported by the so-called debasement trade as investors retreat from currencies and bonds amid fiscal concerns, as well as robust central bank purchases and sustained ETF inflows.

<https://tradingeconomics.com/commodity/gold/news/520160>

- ✓ **China posts first annual rise in industrial profit in four years in 2025.** China logged its first annual rise in industrial profit in four years in 2025, official data showed on Tuesday, as a government call to end price wars and other excessive competitive practices eased strain on businesses. Weak growth in the US\$19 trillion economy prompted rebukes for sectors such as autos and solar panels that brought an end to a race to the bottom. That has yet to halt a years-long decline in producer prices but an export boom has helped offset weak consumption at home. Profit at industrial firms increased 5.3 per cent in December from the same month a year earlier, reversing a 13.1 per cent on-year fall in November, showed data from the National Bureau of Statistics. For the whole of 2025, profit was up 0.6 per cent, versus a 0.1 per cent increase in the first 11 months. That marked the first annual gain in four years. Industrial profit figures cover firms with annual revenue of at least 20 million yuan (\$3.7 million) from their main operations.

<https://www.businesstimes.com.sg/international/global/china-posts-first-annual-rise-industrial-profit-four-years-2025>

- ✓ **Thai finance ministry maintains 2026 growth forecast at 2.0% despite weaker exports.** Thailand's economy is expected to grow 2.0 per cent this year, the finance ministry said on Tuesday, maintaining its previous forecast, with support from tourism and domestic demand likely to offset a slowdown in export growth. Exports, a key driver of Thai growth, are predicted to rise 1.0 per cent this year, compared with an earlier forecast of a 1.5 per cent decline, Vinit Visessuvanapoom, head of the finance ministry's fiscal policy office, told a press conference. Southeast Asia's second-largest economy has been struggling with the appreciating baht, U.S. tariffs, high household debt, a border conflict with Cambodia and political uncertainty ahead of elections in early February. "Tourism will be the main growth engine in 2026," Vinit said, with foreign tourist arrivals projected to reach 35.5 million, up from about 33 million recorded last year but still much lower than the record of nearly 40 million visitors set in 2019, before the pandemic. For 2025, the economy is estimated to have expanded 2.2 per cent, with annual growth in the final quarter projected at 1.8 per cent, Vinit said. Official 2025 gross domestic product data will be released next month by the state planning agency. The economy expanded 2.5 per cent in 2024.

<https://www.channelnewsasia.com/business/thai-finance-ministry-maintains-2026-growth-forecast-20-despite-weaker-exports-5886636>

- ✓ **Rupiah Retreats After Four Sessions of Gains.** The Indonesian rupiah slipped to around IDR 16,800 per dollar on Tuesday, ending a four-session winning streak as concerns resurfaced over central bank independence. Lawmakers unanimously approved President Prabowo's nephew, Thomas Djiwandono, as deputy governor of Bank Indonesia, sidelining two career bankers and raising worries about political influence on monetary policy. Meanwhile, the central bank reiterated scope for further easing, citing mild inflation expectations for 2026–2027 within the target range of 1-1/2% to 3-1/2%, while aiming to aid growth. Last week, Bank Indonesia held its key rate at 4.75% for a fourth straight meeting, after 150bp of cuts since September 2024. Losses were cushioned by pledges of measured interventions in spot and forward markets, alongside pro-market operations by the central bank. Globally, the dollar index held near a four-month low amid U.S. shutdown risks and expectations that the Fed will hold rates steady at its first meeting of the year.
<https://tradingeconomics.com/indonesia/currency/news/520274>
- ✓ **Hong Kong Trade Deficit Largest Since 2023.** Hong Kong's trade deficit widened sharply to USD 63.25 billion in December 2025, from USD 34.5 billion in the same month a year earlier, marking the largest trade gap since September 2023. Imports surged 30.6% year-on-year to USD 576.05 billion, mainly driven by higher purchases of electrical machinery, apparatus and appliances, and electrical parts (27.9%) and telecommunications and sound recording and reproducing equipment (59.6%). Imports rose the most from Mainland China (33.9%), Taiwan (30.8%), and Singapore (17.2%). Meanwhile, exports increased 26.1% year-on-year to USD 512.8 billion, supported by increased shipments of electrical machinery and parts (30.7%) and telecommunications and sound recording equipment (46.8%). Exports recorded the largest gains to Mainland China (24.9%), the US (47.5%), and Vietnam (29.4%). For the full year of 2025, Hong Kong's cumulative trade deficit reached USD 446.6 billion, with exports rising 15.4% and imports increasing 15.5%.
<https://tradingeconomics.com/hong-kong/balance-of-trade/news/520335>
- ✓ **India, EU finalise landmark trade deal, PM Modi says.** India and the European Union have finalised a landmark trade deal that will represent a quarter of the world's economy, Indian Prime Minister Narendra Modi said on Tuesday, as the two sides seek to hedge against fickle ties with the U.S. After nearly two decades of on-off negotiations, the deal will pave the way for India to open up its vast and guarded market, the world's largest, to free trade with the 27-nation EU, its biggest trading partner. He added that the agreement represents 25 per cent of global GDP and one-third of global trade. Trade between India and the EU stood at \$136.5 billion in the fiscal year through March 2025. The agreement comes days after the EU signed a pivotal pact with the South American bloc Mercosur, following deals last year with Indonesia, Mexico and Switzerland. During the same period, New Delhi finalised pacts with Britain, New Zealand and Oman. The spate of deals underscores global efforts to hedge against the United States as President Donald Trump's bid to take over Greenland and tariff threats on European nations test longstanding alliances among Western nations.
<https://www.channelnewsasia.com/business/india-eu-finalise-landmark-trade-deal-pm-modi-says-5886821>
- ✓ **Pound Holds Near Multi-Month High.** The British pound traded above \$1.365, hovering near its strongest level since early July, supported by a weaker US dollar and signs of accelerating price pressures in the UK. Data from the British Retail Consortium showed shop prices rose 1.5% year on year in January, the sharpest increase since February 2024 and well above market expectations of 0.7%, reviving concerns over persistent price pressures and potentially limiting the scope for the Bank of England to cut interest rates in the coming months. Meanwhile, broader market sentiment remained cautious as Trump threatened higher tariffs on South Korean goods, following similar warnings to Canada and Europe. Investors are also looking ahead to the US Federal Reserve's policy decision on Wednesday, with rates expected to stay unchanged and speculation mounting that a more dovish successor to Fed Chair Jerome Powell could be announced this week.
<https://tradingeconomics.com/united-kingdom/currency/news/520346>
- ✓ **UK's Starmer heads to China to repair ties as he navigates tensions with US.** Prime Minister Keir Starmer will fly to China on Tuesday on the first visit by a British leader in eight years, in a bid to mend ties with the world's second-largest economy and reduce its dependence on an increasingly unpredictable United States. Starmer is the latest western leader to visit China, and his trip comes amid tensions between Britain and its longstanding closest ally - the United States - over President Donald Trump's threats to take control of Greenland. On a three-day visit accompanied by dozens of business executives and two ministers, Starmer will meet with Chinese leaders in Beijing and then travel to Shanghai, before a brief visit to Japan. The visit gives China a chance to court another US ally dealing with Trump's volatile trade policies following that of Canada's Prime Minister Mark Carney this month when the two countries agreed an economic deal. In response to Carney's visit, Trump threatened to impose 100 per cent tariffs - effectively an embargo - on all Canadian goods and products coming into the US if it follows through on the China trade deal. In the 12 months to the middle of 2025, China was Britain's fourth-largest trading partner, with trade totalling about £100 billion (\$174 billion), according to government data. The visit also comes at a sensitive moment for relations between Western leaders and the United States because of Trump's claims that the United States needs to take control of Greenland because China poses a threat in the Arctic.
<https://www.businesstimes.com.sg/international/global/uks-starmer-heads-china-repair-ties-he-navigates-tensions-us>
- ✓ **Dollar struggles to rebound as Fed meeting comes into focus.** The U.S. dollar edged higher on Tuesday but struggled to gain momentum, while traders remained on the alert for potential coordinated currency intervention by authorities in the United States and Japan and looked to Wednesday's Federal Reserve interest rate decision. Much of the recent focus in the foreign exchange market has been on the yen, which has rallied as much as 3 per cent over the past two sessions on talk of the U.S. and Japan conducting rate checks - often seen as a precursor to official intervention. The possibility of intervention has left investors hesitant to push the yen lower, even amid concern about Japan's fiscal health. Analysts also said there is a high bar for coordinated intervention. The dollar has been under intense pressure from a range of factors including Washington's desire for a weaker currency and uncertainty over U.S. President Donald Trump's policymaking. Trump could announce his candidate for Chair Jerome Powell's successor soon after the rate decision, especially if the president does not support the central bank's decision, Rees said. "We think that's going to inject some significant dollar volatility," he said. The Trump administration's criminal investigation of Powell and an evolving attempt to fire Fed Governor Lisa Cook will also be in focus during the Fed's two-day policy meeting which starts on Tuesday.
<https://www.channelnewsasia.com/business/dollar-struggles-rebound-fed-meeting-comes-focus-5885331>
- ✓ **Trump says value of US dollar is 'great', currency hits 4-year low .** Trump said on Tuesday the value of the dollar was "great", when asked whether he thought it had declined too much, adding to pressure on the greenback which hit a four-year low. The dollar's recent weakness stems from multiple factors: expectations of continued Federal Reserve rate cuts, tariff uncertainty, policy volatility including threats to Fed independence and rising fiscal deficits, all of which have eroded investor confidence in US economic stability. A lower dollar can also benefit US exporters, though Trump said he was not seeking for its value to decline further. "I would want it to... just seek its own level," he said. Trump made the comments to reporters in Iowa ahead of a speech expected to centre on the economy as he seeks to rally his stalwart rural supporters in a state that hosts key congressional races in November. Steve Sosnick, market strategist at Interactive Brokers, Greenwich, Connecticut, said that a weaker dollar "was a two-sided coin". "On the one hand, it's good for multinationals... If you have operations around the world and foreign currency revenue that will have a conversion advantage

when you turn it into US dollars, that will be good. On the other, it makes imported goods more expensive and there might be some inflationary impact from that."

<https://www.businesstimes.com.sg/companies-markets/banking-finance/trump-says-value-us-dollar-great-currency-hits-4-year-low>

UPCOMING BAIPHIL WEBINARS



TRAINING PROGRAMS		PROGRAM DETAILS		
COMMITTEE	TITLE	DATE	COURSE OUTLINE	REGISTRATION LINK
Finance and Audit Course Committee (FACCOM)	Overview of ICAAP	March 10, 2026	PROGRAM DETAILS	REGISTER HERE
	Accounting for Non-Accountants (with Financial Statement Analysis)	March 12 – 13, 2026	PROGRAM DETAILS	REGISTER HERE
	Accounting for Non-Accountants (with Financial Statement Analysis)	May 14 – 15, 2026	PROGRAM DETAILS	REGISTER HERE
Governance, Legal, Regulatory and Compliance (GLRC) Course Committee	Basic Course on Corporate Governance	February 6, 2026	PROGRAM DETAILS	REGISTER HERE
	Anti-Money Laundering & Counter-Terrorism & Proliferation Financing (AML/CTPF) for Board of Directors and Senior Management of BSP Supervised Financial Institutions	February 11, 2026	PROGRAM DETAILS	REGISTER HERE
	Basic Course on Corporate Governance	April 7, 2026	PROGRAM DETAILS	REGISTER HERE
Information Technology and Security Course (ITSEC) Committee	Advanced Excel Training for Bankers	January 29 – 30, 2026	PROGRAM DETAILS	REGISTER HERE
	IT Security in Banking Operations	February 3 – 4, 2026	PROGRAM DETAILS	REGISTER HERE
	Cloud Security	February 18, 2026	PROGRAM DETAILS	REGISTER HERE
	Intermediate Excel Training for Bankers	February 23 - 24, 2026	PROGRAM DETAILS	REGISTER HERE
	Cloud Privacy: Securing Data on Public Cloud	February 25, 2026	PROGRAM DETAILS	REGISTER HERE
Leadership Effectiveness Course (LEC) Committee	Basic Program for Banking Professionals Module 2: Legal Framework of Banking	February 6, 2026	PROGRAM DETAILS	REGISTER HERE
	Basic Program for Banking Professionals Module 3: Basic Banking Course – Introduction to the Philippine Banking Industry, Financial System, and Emerging Financial Institutions	February 13, 2026	PROGRAM DETAILS	REGISTER HERE
	Basic Leadership and Effective Supervision Seminar (BLESS) for Bank Supervisors	February 13, 2026	PROGRAM DETAILS	REGISTER HERE
	Conflict Resolution and Management	March 17, 2026	PROGRAM DETAILS	REGISTER HERE
	Writing for Impact: Strengthening Your Business Communication Skills (Module 3 of the Effective Business Writing)	March 27, 2026	PROGRAM DETAILS	REGISTER HERE
	Leadership Effectiveness and Advancement Program (LEAP) – A Program for Managers	April 23-24, 2025	PROGRAM DETAILS	REGISTER HERE
	Basic Leadership & Effective Supervision Seminar (BLESS) – A Program for Supervisors	May 22, 2026	PROGRAM DETAILS	REGISTER HERE
Products, Bank Operations and Management (PBOM) Course Committee	Fundamentals of Credit: Module 3 & 4 – Business Risk Assessment & Industry Risk Assessment	February 11- 12 2026	PROGRAM DETAILS	REGISTER HERE
	Basic Identification Documents, Business Documents & Income Documents Verification	February 19, 2026	PROGRAM DETAILS	REGISTER HERE
	Know Your Money and Counterfeit Detection	February 20, 2026	PROGRAM DETAILS	REGISTER HERE
	Fundamentals of Credit: Module 5 – Basic Accounting and Financial Analysis, Module 6 – Cash Flow Analysis, and Module 7 – Financial Spreadsheets, Validation and Projections	March 11, 12, 13, 2026	PROGRAM DETAILS	REGISTER HERE

Risk Management Course (RMC) Committee	Third Currencies Counterfeit Detection	March 19, 2026	PROGRAM DETAILS	REGISTER HERE
	Signature Verification and Forgery Detection	March 20, 2026	PROGRAM DETAILS	REGISTER HERE
	Fundamentals of Credit: Module 8 – Credit Lending Process	April 16 – 17, 2026	PROGRAM DETAILS	REGISTER HERE
	Fraud and Forgery Detection and Prevention Program	April 29, 2026	PROGRAM DETAILS	REGISTER HERE
	Know Your Money and Counterfeit Detection	April 30, 2026	PROGRAM DETAILS	REGISTER HERE
	Remedial Management	May 7 – 8, 2026	PROGRAM DETAILS	REGISTER HERE
	Basic Identification Documents, Business Documents & Income Documents Verification	May 28, 2026	PROGRAM DETAILS	REGISTER HERE
	Signature Verification and Forgery Detection	May 29, 2026	PROGRAM DETAILS	REGISTER HERE
	Fraud and Forgery Detection and Prevention Program	June 24, 2026	PROGRAM DETAILS	REGISTER HERE
	Know Your Money and Counterfeit Detection	June 25, 2026	PROGRAM DETAILS	REGISTER HERE
	Model Development and Validation	January 27 – 28, 2026	PROGRAM DETAILS	REGISTER HERE
	Business Continuity: Strengthening Your Fundamentals to a Robust or Resiliency Level	February 10, 2026	PROGRAM DETAILS	REGISTER HERE



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- 4 Reuters: <https://www.reuters.com/markets/stocks>
- 5 Bloomberg: <https://www.bloomberg.com/markets/commodities>
- 6 CNN Money: <https://money.cnn.com/data/bonds/>

OTHER REFERENCES / EXTERNAL LINKS

<ul style="list-style-type: none">➢ <i>Philippine Stock Exchange: http://www.pse.com.ph/stockMarket/home.html</i>➢ <i>Philippine Dealing System: http://www.pds.com.ph/</i>➢ <i>GMA News Online: http://www.gmanetwork.com/news/</i>➢ <i>BPI Asset Management: https://www.bpiassetmanagement.com/</i>➢ <i>Business World: http://bworldonline.com/</i>➢ <i>Philippine Daily Inquirer: http://business.inquirer.net/</i>➢ <i>Philippine Star: https://www.philstar.com/business/</i>➢ <i>ABS-CBN News: http://news.abs-cbn.com/business/</i>➢ <i>Manila Bulletin: https://mb.com.ph/</i>➢ <i>Manila Standard: http://manilastandard.net/</i>➢ <i>Philippine News Agency: www.pna.gov.ph</i>➢ <i>AutoIndustriya: https://www.autoindustriya.com/</i>➢ <i>The Wall Street Journal: https://www.wsj.com/asia/</i>➢ <i>Reuters: https://www.reuters.com/</i>➢ <i>Bloomberg: https://www.bloomberg.com/markets/</i>➢ <i>Business Mirror: https://businessmirror.com.ph/</i>	<ul style="list-style-type: none">➢ <i>CNN Money: http://money.cnn.com/</i>➢ <i>Bangko Sentral ng Pilipinas: http://www.bsp.gov.ph/</i>➢ <i>Bankers Association of the Philippines: http://bap.org.ph/</i>➢ <i>Bureau of Treasury: http://www.treasury.gov.ph/</i>➢ <i>Philippine Statistics Authority: https://psa.gov.ph/</i>➢ <i>Trading Economics: https://tradingeconomics.com/</i>➢ <i>South China Morning Post: http://www.scmp.com/</i>➢ <i>Japan Times: https://www.japantimes.co.jp</i>➢ <i>The Japan News: http://www.the-japan-news.com</i>➢ <i>Market Watch: https://www.marketwatch.com/</i>➢ <i>Asia Nikkei: https://asia.nikkei.com/</i>➢ <i>Straits Times: https://www.straitstimes.com/global</i>➢ <i>Channel News Asia: https://www.channelnewsasia.com/</i>➢ <i>CNBC: https://www.cnbc.com/</i>➢ <i>The New York Times: https://www.nytimes.com/</i>➢ <i>Gulf News: https://gulfnews.com/</i>
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