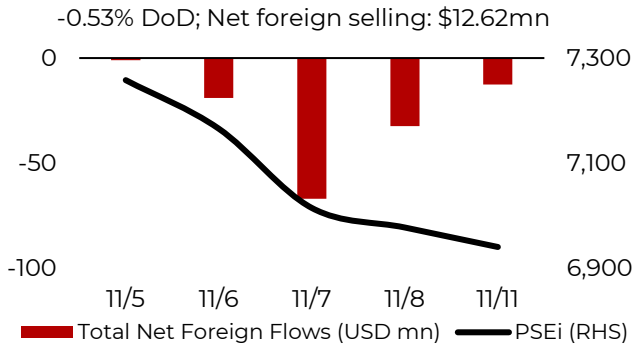


# The Morning View

November 12, 2024

## Philippine Stock Exchange Index



	Level	DoD
PSEi	6,940.01	-0.53%
3-mo bond yield	5.51%	-0.04 bps
2-yr bond yield	5.74%	+2.26 bps
10-yr bond yield	5.91%	+2.08 bps
USDPHP	58.60	+0.58%
Oil (Brent, \$ / barrel)	71.83	-2.76%

**President Ferdinand Marcos, Jr. has signed the CREATE MORE Act into law.** CREATE MORE aims to attract more foreign direct investments by providing expansive fiscal incentives and lowering the corporate income tax rate of registered business enterprises from 25% to 20%, among others.

**Globe Telecom, Inc. (PSE Ticker: GLO) may further reduce its capital expenditure (capex) budget next year to less than \$1 billion.** Globe Chief Financial Officer, Treasurer, and Chief Risk Officer Juan Carlo C. Puno said that next year's capex budget will be funded by internally generated funds and debt.

**Local equities** fell amid weaker market sentiment as August data revealed a drop in net inflows of foreign direct investments. Investors also continued to digest the US presidential election results. The PSEi closed at 6,940.01 (-0.53% DoD).

**Local fixed income yields** rose after the Bureau of the Treasury issued Treasury bills at slightly higher rates amid inflation concerns and more tempered rate cut expectations. On average, yields rose by 1.49 bps, with the 2Y closing at 5.74% (+2.26 bps) and the 10Y closing at 5.91% (+2.08 bps).

The **Philippine peso** weakened amid uncertainty over US policy direction under President Trump and caution ahead of upcoming US inflation data. The USD/PHP pair closed at 58.60 (+0.58% DoD).

**Chinese banks issued 500 billion yuan (~\$69.5 billion) in new loans in October, a sharp drop from the 1.6 trillion yuan in September.** Economists said that the government's policy stimulus struggled to spur credit demand as profitability remained weak.

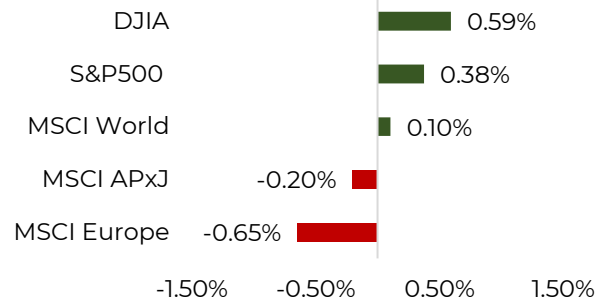
**Japan's Economy Watchers Survey Outlook index declined to 48.3 in October (September: 49.7) amid dampened service-sector sentiment and rising bankruptcy cases.** This month's reading was lower than the expected 49.2 for the period and signals a worsening economic outlook among firms, further complicating the Bank of Japan's rate hike plans.

**US equities** rose as tech and bank stocks surged amid optimism over Trump's deregulation policies. Investors also looked ahead to the US Consumer Price Index (CPI) inflation and retail sales data releases later this week. The S&P 500 closed at 6,001.35 (+0.10% DoD) and the DJIA closed at 44,293.13 (+0.69% DoD).

**US Treasury yields** were unchanged as the US bond market was closed in observation of the Veterans Day holiday. The 2Y closed at 4.26% (0.00 bps), while the 10Y closed at 4.31% (0.00 bps).

The **US dollar** strengthened as investors awaited the CPI inflation and retail sales data due this week. The DXY closed at 105.49 (+0.47% DoD).

## Global Stock Indices



	Level	DoD
S&P 500	6,001.35	+0.10%
DJIA	44,293.13	+0.69%
3-mo US Treasury yield	4.54%	0.00 bps
2-yr US Treasury yield	4.26%	0.00 bps
10-yr US Treasury yield	4.31%	0.00 bps
DXY	105.49	+0.47%